

1997

California S Corporation
Franchise or Income Tax Return

100S

Calendar year 1997 or fiscal year beginning		M	M	D	D	1	9	9	7	, and ending		M	M	D	D	1	9	Y	Y
California corporation number		Federal employer identification number																	
Corporation name																			
Address																			
City					State					ZIP code									

A Final return? ☒ Dissolved ☐ Surrendered (withdrawn) ☐ Merged/Reorganized
☐ IRC Section 338 sale If a box is checked, enter date ☒

B Did this S corporation have a change in control or ownership, or acquire ownership or control of any other legal entity this year?
 (Do not leave blank). ☒ Yes ☐ No

C Principal business activity code. (Do not leave blank): ☒

D Does this return include Qualified Subchapter S Subsidiaries (QSSS). ☒ Yes ☐ No

1 Ordinary income (loss) from trade or business activities from Schedule F (Form 100S, Side 2) or federal Form 1120S, line 21. If Schedule F (Form 100S, Side 2) was not completed, attach federal Form 1120S, page 1, and supporting schedules . ☒ 1

2 Foreign or domestic tax based on income or profits and California franchise or income tax deducted . . . ☒ 2

3 Interest on government obligations. ☒ 3

4 Net capital gain from Schedule D (100S), Section A & Section B. Attach Schedule D (100S), see instructions. . . ☒ 4

5 Depreciation and amortization adjustments. Attach Schedule B (100S). ☒ 5

6 Portfolio income ☒ 6

7 Other additions. Attach schedule(s) ☒ 7

8 Total. Add line 1 through line 7 ☒ 8

9 Deductible dividends. Attach Schedule H (100S) ☒ 9

10 Water's-edge dividend deduction. Attach Schedule H (100S) ☒ 10

11 Contributions. See instructions ☒ 11

12 EZ, LARZ or LAMBRA business expense and net interest deduction. . ☒ 12

13 Other deductions. Attach schedule(s) ☒ 13

14 Total. Add line 9 through line 13. ☒ 14

15 Net income (loss) after state adjustments. Subtract line 14 from line 8 ☒ 15

16 Net income (loss) for state purposes. Use Schedule R if apportioning income ☒ 16

17 R&TC Section 23802(e) deduction. See instructions ☒ 17

18 Net operating loss carryover deduction. See instructions. ☒ 18

19 EZ, LARZ or LAMBRA NOL carryover deduction. See instructions . . . ☒ 19

20 Disaster loss carryover deduction. See instructions. ☒ 20

21 Net income for tax purposes. Combine line 17 through line 20 and subtract from line 16 ☒ 21

22 Tax. _____ % x line 21 (at least minimum franchise tax and/or QSSS annual tax, if applicable). See instructions ☒ 22

23 Enter credit name _____ code no. ____ and amount . . . ☒ 23

24 Enter credit name _____ code no. ____ and amount . . . ☒ 24

25 Enter credit name _____ code no. ____ and amount . . . ☒ 25

26 To claim more than three credits, see instructions ☒ 26

27 Add line 23 through line 26. ☒ 27

28 Balance. Subtract line 27 from line 22 (at least minimum franchise tax and/or QSSS annual tax, if applicable) . ☒ 28

29 Tax from Schedule D (100S). Attach Schedule D (100S). See instructions. ☒ 29

30 Excess net passive income tax. See instructions ☒ 30

31 Total tax. Add line 28 through line 30 ☒ 31

32 Additional SOS prepayment tax. See instructions. ☒ 32

33 Adjusted total tax. Add line 31 and line 32 ☒ 33

34 Overpayment from prior year allowed as a credit . . . ☒ 34

35 1997 estimated tax payments. Include QSSS payments . ☒ 35

36 Amount paid with extension of time to file return . . . ☒ 36

37 Total payments. Add line 34 through line 36 ☒ 37

38 Tax due. If line 33 is more than line 37, subtract line 37 from line 33. Go to line 42. ☒ 38

39 Overpayment. If line 37 is more than line 33, subtract line 33 from line 37 ☒ 39

40 Amount of line 39 to be credited to 1998 estimated tax ☒ 40

41 Amount of line 39 to be refunded. Line 39 less line 40 . . ☒ 41

42 Penalties and interest. See General Information M and N 42

43 Total amount due. Add line 38 and line 42. Pay with return . 43

Schedule F Computation of Trade or Business Income See General Information I.

Income	1 a) Gross receipts or sales _____ b) Less returns and allowances _____ Balance	1c	
	2 Cost of goods sold	2	
	3 Gross profit. Subtract line 2 from line 1c	3	
	4 Net gain (loss)	4	
	5 Other income (loss). Attach schedule ●	5	
	6 Total income (loss). Combine line 3 through line 5.	6	
Deductions	7 Compensation of officers. Attach schedule. See instructions	7	
	8 Salaries and wages ●	8	
	9 Repairs	9	
	10 Bad debts	10	
	11 Rents ●	11	
	12 Taxes	12	
	13 Interest	13	
	14 a) Depreciation _____ b) Less depreciation reported elsewhere on return _____ Balance ●	14	
	15 Depletion	15	
	16 Advertising	16	
	17 Pension, profit-sharing, etc. plans	17	
	18 Employee benefit programs	18	
	19 a) Total travel and entertainment _____ b) Deductible amount	19b	
	20 Other deductions. Attach schedule. ●	20	
	21 Total deductions. Add line 7 through line 20 ●	21	
	22 Ordinary income (loss) from trade or business. Subtract line 21 from line 6. Enter here and on Side 1, line 1 ●	22	

Schedule V Cost of Goods Sold

1 Inventory at beginning of year		5 Other costs. Attach schedule	
2 Purchases ●		6 Total. Add line 1 through line 5.	
3 Cost of labor ●		7 Inventory at end of year.	
4 Other IRC Sec. 263A costs. Attach schedule ●		8 Cost of goods sold. Subtract line 7 from line 6 ●	

Was there any substantial change in the manner of determining quantities, costs or valuations between opening and closing inventory? . . . ☐ Yes ☐ No

If "Yes," attach an explanation. Enter California seller's permit number, if any ► _____ Method of inventory valuation _____

Check if the LIFO inventory method was adopted this income year for any goods. If checked, attach federal Form 970 ● ☐

If the LIFO inventory method was used for this income year, enter the amount of closing inventory computed under LIFO. ● _____

Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to the corporation? ☐ Yes ☐ No

Schedule J Add-On Taxes or Recapture of Tax Credits. See instructions.

1 LIFO recapture due to S corporation election (IRC Sec. 1363(d) deferral — \$ _____). ●	1	
2 Interest computed under the look-back method for completed long-term contracts (Attach FTB 3834) ●	2	
3 Interest on tax attributable to installment: a) Sales of certain timeshares and residential lots ●	3a	
b) Method for nondealer installment obligations ●	3b	
4 IRC Section 197(f)(9)(B)(ii) election ●	4	
5 Credit recapture name: _____ ●	5	
6 Combine line 1 through line 5. Revise the amount on Side 1, line 38 or line 39, whichever applies, by this amount. Write "Schedule J" to the left of line 38 or line 39 ●	6	

E Check here if the corporation does not need tax forms mailed next year ● ☐

F Date incorporated: _____ ● Where: State _____ Country _____

G Maximum number of shareholders in the corporation at any time during the year ● _____

H Date business began in California or date income was first derived from California sources: ● _____

I Is the corporation under audit by the IRS or has it been audited in a prior year? ● ☐ Yes ☐ No

J Effective date of federal S election: ● _____

K Effective date of California S election: ● _____

L Accounting method: ● (1) ☐ Cash (2) ☐ Accrual (3) ☐ Other

M Location of principal accounting records: _____

N "Doing business as" name: ● _____

O Have all required information returns (e.g. federal Form 1099, 8300, etc.) been filed with the Franchise Tax Board? . . . ☐ N/A ☐ Yes ☐ NoP Is this corporation apportioning income to California using Schedule R? ● ☐ Yes ☐ NoQ During the income year, were gross receipts (less returns and allowances) of this corporation more than \$1 million? ● ☐ Yes ☐ No

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
	Signature of officer	Title	Date	Telephone
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN/FEIN
	Firm's name (or yours, if self-employed) and address ► _____	FEIN	Telephone	

Schedule K S Corporation Shareholders' Shares of Income, Deductions, Credits, etc.

	(a) Pro rata share items	(b) Amount from federal Schedule K (1120S)	(c) California adjustment	(d) Total amount using California law Combine (b) and (c) where applicable
Income (Loss)	1 Ordinary income (loss) from trade or business activities			●
	2 Net income (loss) from rental real estate activities			●
	3 a Gross income from other rental activities.			
	b Expenses from other rental activities. Attach schedule			
	c Net income (loss) from other rental activities. Subtract line 3b from line 3a			●
	4 Portfolio income (loss):			
	a Interest			●
	b Dividends			●
	c Royalties			●
	d Net short-term capital gain (loss). Attach Schedule D (100S)			●
	e Net long-term capital gain (loss). Attach Schedule D (100S)			●
f Other portfolio income (loss). Attach schedule			●	
5 Net gain (loss) under IRC Section 1231 (other than due to casualty or theft) .			●	
6 Other income (loss). Attach schedule			●	
Deductions	7 Charitable contributions			●
	8 Expense deduction for recovery property (R&TC Section 17267.2, Section 17266 and Section 17268 and IRC Section 179). Attach Schedule B (100S)			
	9 Deductions related to portfolio income (loss). Attach schedule			●
Investment Interest	10 Other deductions. Attach schedule			
	11 a Interest expense on investment debts			●
Tax Credits	b (1) Investment income included on lines 4a through 4f above			
	(2) Investment expenses included on line 9 above.			
	12 a Low-income housing credit. See instructions. Attach schedule			●
	b Credits related to rental real estate activities other than on line 12(a). Attach schedule			●
Adjustments and Tax Preference Items	c Credits related to other rental activities. See instructions. Attach schedule .			●
	13 Other credits. Attach schedule			●
	14 a Depreciation adjustment on property placed in service after 12/31/86. . . .			
Other State Taxes	b Adjusted gain or loss. See instructions.			
	c Depletion (other than oil and gas)			
	d (1) Gross income from oil, gas and geothermal properties			
	(2) Deductions allocable to oil, gas and geothermal properties			
	e Other adjustments and tax preference items. Attach schedule			
Other Items	15 a Type of income _____			
	b Name of state _____			
	c Total gross income from sources outside California. Attach schedule			
	d Total applicable deductions and losses. Attach schedule.			
	e Total other state taxes. Check one: <input type="checkbox"/> Paid <input type="checkbox"/> Accrued			●
	16 a Total expenditures to which an IRC Section 59(e) election may apply			
	b Type of expenditures _____			
	17 Tax-exempt interest income.			
	18 Other tax-exempt income			
	19 Nondeductible expenses.			
20 Total property distributions (including cash) other than dividend distributions reported on line 22 below			●	
21 Other items and amounts not included in line 1 through line 20 above that are required to be reported separately to shareholders. Attach schedule.			●	
22 Total dividend distributions paid from accumulated earnings and profits .			●	
23 Income (loss) (required only if Schedule M-1 must be completed). Combine line 1, line 2 and line 3c through line 6. From the result, subtract the sum of line 7 through line 11a and line 16a				

Schedule L Balance Sheets		Beginning of income year		End of income year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				
2	a Trade notes and accounts receivable				
	b Less allowance for bad debts	()		()	
3	Inventories				●
4	Federal and state government obligations				
5	Other current assets. Attach schedule(s)				
6	Loans to shareholders. Attach schedule(s)				●
7	Mortgage and real estate loans				
8	Other investments. Attach schedule(s)				●
9	a Buildings and other fixed depreciable assets				
	b Less accumulated depreciation	()		()	●
10	a Depletable assets				
	b Less accumulated depletion	()		()	
11	Land (net of any amortization)				●
12	a Intangible assets (amortizable only)				
	b Less accumulated amortization	()		()	
13	Other assets. Attach schedule(s)				
14	Total assets.		●		●
Liabilities and shareholders' equity					
15	Accounts payable				
16	Mortgages, notes, bonds payable in less than 1 year				
17	Other current liabilities. Attach schedule(s)				
18	Loans from shareholders. Attach schedule(s)				●
19	Mortgages, notes, bonds payable in 1 year or more				
20	Other liabilities. Attach schedule(s)				
21	Capital stock		●		●
22	Paid-in or capital surplus		●		●
23	Retained earnings		●		●
24	Adjustments to shareholders' equity. Attach schedule(s)				
25	Less cost of treasury stock		()		()
26	Total liabilities and shareholders' equity				

Schedule M – 1 **Reconciliation of income (loss) per books with income (loss) per return** Do not complete this schedule if the amount on Schedule L, line 14, column (d), is less than \$25,000.

1	Net income per books		5	Income recorded on books this year not included on Schedule K, line 1 through line 6 (itemize)	
2	Income included on Schedule K, line 1 through line 6, not recorded on books this year (itemize)		a	Tax-exempt interest \$	●
3	Expenses recorded on books this year not included on Schedule K, line 1 through line 11a and line 16a (itemize)		6	Deductions included on Sch. K lines 1 through 11a and line 16a, not charged against book income this year (itemize)	
a	Depreciation \$		a	Depreciation \$	
b	State taxes \$		b	State tax refunds \$	
c	Travel and entertainment \$				●
4	Total. Add line 1 through line 3.		7	Total. Add line 5 and line 6	
			8	Income (loss) (Sch. K, line 23, col. d). Line 4 less line 7	

Schedule M – 2 **CA accumulated adjustments account, other adjustments account, and other retained earnings** See instructions.

Important: Use California figures and federal procedures.		(a) Accumulated adjustments account	(b) Other adjustments account	(c) Other retained earnings (see instructions)
1	Balance at beginning of year.	●		
2	Ordinary income from Form 100S, Side 1, line 1			
3	Other additions			
4	Loss from Form 100S, Side 1, line 1	()		
5	Other reductions	()	()	
6	Combine line 1 through line 5			
7	Distributions other than dividend distributions.	●		
8	Balance at end of year. Subtract line 7 from line 6	●		
9	Retained earnings at end of year. Add line 8, column (a) through column (c)	●		
● <input type="checkbox"/> If the corp. has C corp. E&P at the end of the income year, check the box and enter the amount. See instructions				